Impacts of Medical Debt

Findings from a National Survey

PREPARED FOR THE AMERICAN CANCER SOCIETY CANCER ACTION NETWORK (ACS CAN), THE LEUKEMIA & LYMPHOMA SOCIETY (LLS), AND R.I.P MEDICAL DEBT

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Introduction.

Over a hundred million Americans, one in three, struggles with the weight of medical debt. Nearly half of U.S. adults delay or skip medical care due to high costs. Those with chronic health conditions like cancer are even more vulnerable to medical debt and the hardships of expensive medical care, treatments, and medications.

ACS CAN, LLS, and R.I.P. Medical Debt sponsored this national survey to explore these issues. They hear daily from patients and families about the impacts of medical debt on their emotional, physical, and financial health.

This study is meant to create a national picture of experiences and attitudes on medical debt. The poll was conducted by PerryUndem, a non-partisan research firm.

Methods.

This was a national survey of 2,663 adults in the U.S. conducted August 10-30, 2023. It was offered online with YouGov's panel.

The survey included:

- 1,179 adults who have current or past medical debt
- 1,828 adults with a chronic illness
- 174 adults with cancer
- 420 Asian / Pacific Islander adults
- 421 Black adults
- 475 Hispanic / Latino adults
- 133 Native American adults

8 Key Findings.

Most Americans struggle with high health care costs and medical bills they cannot pay.

- Most believe medical debt is a big problem in the country. 89% believe "lots of people have medical debt currently." Six in 10 (61%) say they are concerned about going into medical debt when they use the health system.
- It has become a common experience to receive medical bills you cannot afford. In fact, 69% say this happens to them. Many delay paying the bill, put it on a credit card, or talk to the provider to try to reduce the bill.
- The problem is high health care costs. 67% say they are personally concerned about affording health care currently.
- They are making sacrifices to afford health care. 63% say they are delaying dental care, skipping
 doctor appointments, changing the foods they eat, delaying paying medical bills, or making other
 sacrifices.

They look to the government to bring down high health care costs.

- Survey respondents identify drug companies, health insurance companies, and the federal government when asked who is most responsible for high health care costs.
- But they look mainly to the state and federal government to bring costs down. 84% agree that it is "the responsibility of the government to ensure health care is affordable for all people in the U.S."
- Medical debt is the only kind of debt we tested where blame is placed on institutions rather than on individuals. 86% agree that "usually, people with medical debt are not to blame for it. The problem is really the health industry prioritizes profits."

Most are not fighting the medical bills they receive – in some cases, it is because they did not know they could or doubted they would be successful. Also, nearly half are unaware many providers offer financial assistance programs to help with debt.

- 30% say they have fought or appealed a medical bill in the past. This leaves 70% who have not. Respondents of color are least likely to report they have fought a medical bill. Of note, 70% of those who fought a bill say they were successful in having the bill lowered or even dismissed.
- Some say they didn't know they could fight medical bills. Those with current medical debt, young adults, AAPI adults, and Hispanic / Latino adults are most likely to say they did not know they could fight medical bills. Others just assumed they would not be successful or didn't know the steps to take.
- Nearly half (46%) didn't know many providers offer financial assistance programs to help with medical bills. Respondents of color and younger respondents are most likely to say they did not know about provider financial assistance programs. Only a quarter say they have actually asked for or been offered financial assistance from a provider to reduce their medical bills.

Nearly half of adults have current or past medical debt and they say it has negatively impacted them. Many feel "trapped" and are experiencing depression because of their debt.

- 46% of survey respondents say they have current or past medical debt. Adults ages 50-64, rural adults, Native American adults, and those with cancer or a chronic illness are most likely to say they have current or past medical debt.
- 74% of those with past or present medical debt have experienced negative impacts as a result. More than 4 in 10 (42%) delayed medical care because they did not want to go further into debt and 1 in 5 (21%) avoided going back to the same provider where they owed money because they feared they would not treat them.
- Medical debt has negative effects on mental and emotional health. One-third (32%) say they became more depressed and anxious due to their debt. Uninsured, younger, AAPI, and Hispanic / Latino adults are most likely to say they became more depressed as a result of their medical debt.
- 48% say they feel trapped by their medical debt. Nearly as many (45%) felt they would never be able to pay it off.

Many have experience with payment plans / installments to pay off their medical debt. Some feel these plans made their debt manageable, but others say they locked them into payments they could not afford.

- 6 in 10 of those with current or past medical debt had a payment plan / installments to pay their debt. Survey respondents have mixed feelings about payment plans 47% say they were thankful, but 26% said they found them frustrating because they locked them into payments they couldn't afford and took a long time to pay off.
- Half (48%) say they felt pressured to enroll in a payment plan. Young adults and parents with children under age 18 were most likely to say they felt pressured.

Most agree cancer treatments are too expensive and believe they would likely go into debt if they had to pay these costs. They want elected officials to do more to protect those with serious illnesses like cancer.

- Nine in 10 (90%) say they are concerned that people with chronic conditions like cancer struggle more with medical debt.
- Most don't think they could afford cancer care for themselves. When they hear that insured cancer patients pay \$4,000-\$13,000 on average out-of-pocket in the year they are diagnosed, 65% say they could probably NOT afford the out-of-pocket costs of treating cancer without going into debt. This is relevant since 34% think it is at least somewhat likely that they will be diagnosed with cancer in the next 5 years.
- Almost all feel cancer care is too costly. 92% agree that "cancer treatments and medications are so expensive that even with good health insurance, many cancer patients still have large copays, coinsurance, and costs they have to pay out of pocket that put them into debt."
- They want elected officials to step in. 91% agree that "elected officials should pass policies that protect people with serious illnesses like cancer from medical debt and harassment from collection agencies."

Depending on who you are, medical debt experiences differ.

- The survey reveals certain populations are more impacted by medical debt and less aware of their options. These populations include uninsured individuals, parents of children under age 18, younger adults ages 18-34, pre-retirement adults ages 50-64, rural adults, and communities of color (particularly Native American individuals).
- Women also seem to be more affected by medical debt than men. Gender differences are consistent throughout the survey results with women generally feeling impacts of high health care costs and medical debt more.
- Those with chronic illness or cancer also seem to be more impacted. People with cancer, for example, are more likely than most others to say they have current or past medical debt.
- Many have a sense that underlying inequalities are beneath some of these different experiences. For example, 48% agree that structural barriers and systemic racism make it more difficult for households of color to manage medical bills and pay debts on time.

There is strong bipartisan support for action to protect patients from medical debt and high health care costs.

- We tested 12 policy ideas to protect people from medical debt and all received strong majority support. Top policies include giving patients more time to pay back bills, capping interest rates for medical debt, using professional navigators to help patients find resources to lower their debt, requiring hospitals to screen all patients for financial assistance programs, and requiring all providers / hospitals to offer financial assistance.
- Seven in 10 (69%) say they would view lawmakers more positively if their states passed patient protection policies such as these.
- 80% say they want their state and federal elected officials to also pass policies to reduce health care costs. And 64% said they would likely blame them if they fail to act. There is bipartisan agreement behind both sentiments.

Detailed Findings.

Survey respondents are concerned about a lot of costs right now, including health care.

Q: Think about yourself, personally. Right now, how concerned are you, if at all, with the following?

% very or somewhat concerned

79%

The cost of food and basic household goods rising.

67%

Affording health are costs (including dental care).

57%

Affording transportation costs (like gas or bus fare).

45%

Paying rent or mortgage.

63%

are making hard choices due to health care costs.

Six in 10 respondents report they have self-treated, delayed or skipped dental and medical care, changed the food they eat, delayed paying a medical bill, or made other difficult decisions to afford health care costs in the last two years.

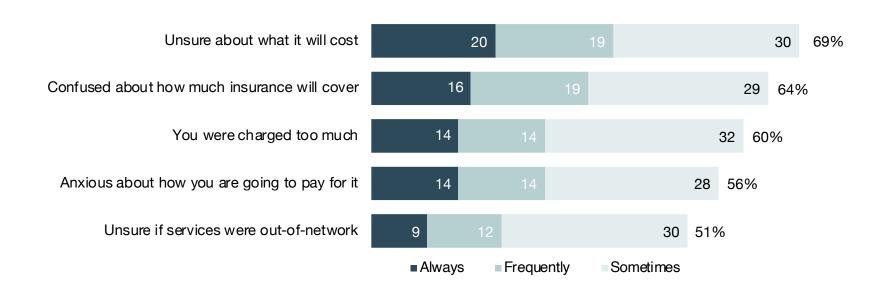
Q: In the last 2 years, have you experienced or done any of the following due to health care costs?

% yes

Self-treated with home remedies / over the counter medications	31
Delayed or skipped dental care	30
Delayed or skipped going to a doctor or clinic for physical health concerns	23
Changed the types of food you ate / bought	22
Delayed paying a medical bill	20
Delayed or skipped getting mental health care	16
Left a prescription(s) at the pharmacy because it / they were too expensive	16
Didn't put money into savings to afford health care	16
Didn't put money away for retirement to afford health care	15
Delayed or skipped going to a hospital emergency room	14
Experienced physical pain because you could not afford medical care	14
Ate less food or cut down on food costs to afford health care	12
Went deeper into medical debt	11
Cut pills in half or skipped doses of medicine	11
Borrowed money from family / friends to afford health care	8
Didn't pay other household bills so you could afford health care	7
Went into debt for the first time	5
At least one of the above	63

Many say they are unsure or confused about costs after they receive health care services.

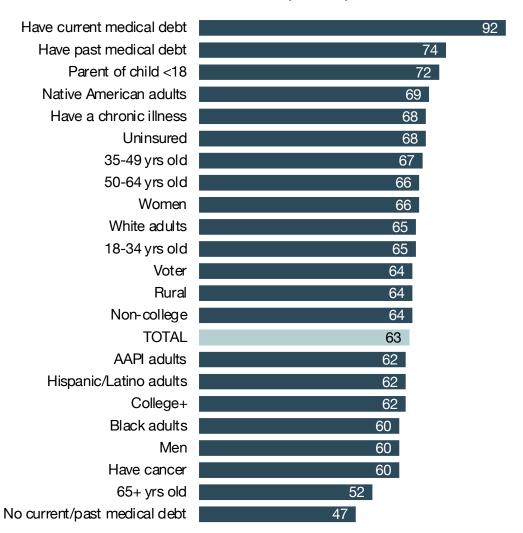
Q: Now, think again about how you <u>feel</u> after you get health care services. After you get health care services, how often do you feel...



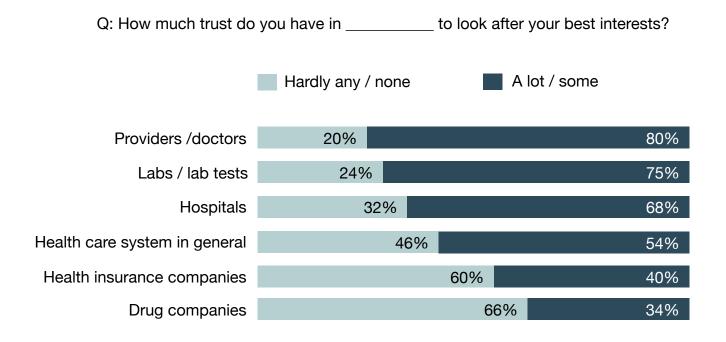
Those with current or past medical debt, along with parents of children under 18, are most likely to say they delayed or skipped medical care or made other difficult decisions due to health care costs.

Q: In the last 2 years, have you experienced or done any of the following (delay care, etc.) due to health care costs?

% yes to any



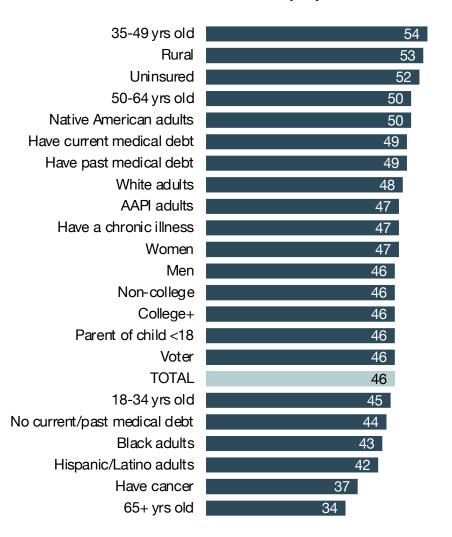
Survey respondents have the most trust in providers / doctors to look after their best interests but have the least trust in health insurance companies and drug companies.



Q: How much trust do you have in the health care system in general to look after your best interests?

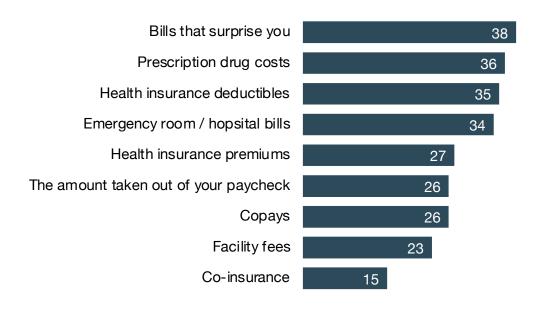
% hardly any / none

Those with the least trust in the "health care system in general" include adults ages 35-49 as well as those preretirement age (50-64), uninsured individuals, rural residents, Native American adults, and those with current or past medical debt.



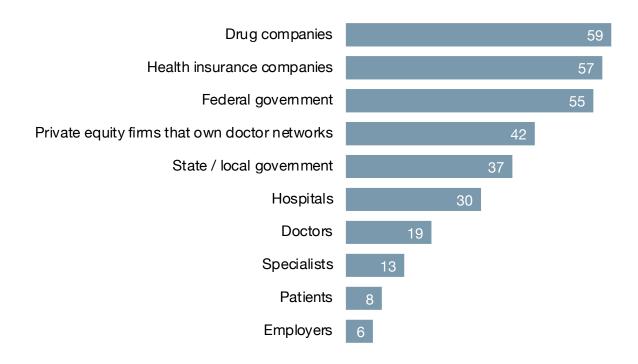
Survey respondents say surprise medical bills, prescription drug costs, insurance deductibles, and bills from ERs / hospitals frustrate them the most.

Q: Which health care costs frustrate you the most? Select up to FOUR.



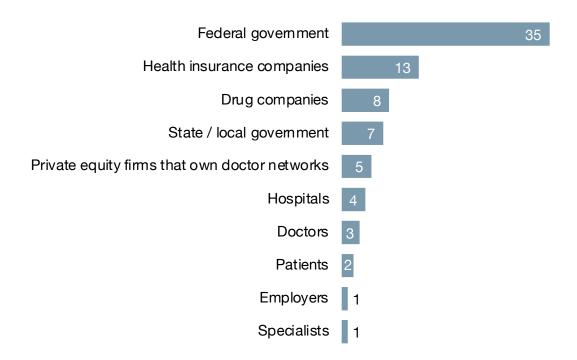
They mostly blame drug companies, health insurance companies, and the federal government for high health care costs.

Q: Who do you blame for high health care costs? Select any that apply.



But they look to the federal government to bring down high health care costs.

Q: Who do you think has the <u>most</u> responsibility to <u>bring down</u> high health care costs? Select only ONE.



Health care bills.

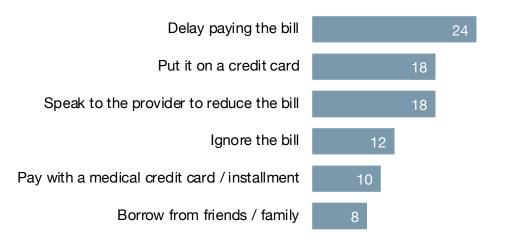
69%

say they experience difficulty paying their medical bills at least sometimes.

Only 31% say they have "always been able to pay all of my medical bills." When they receive a health care bill they cannot afford, one-quarter delay paying the bill while nearly 1 in 5 put it on a credit card or talk to a provider to reduce the bill.

Q: When you receive a medical bill that you cannot pay, do you do any of the following?

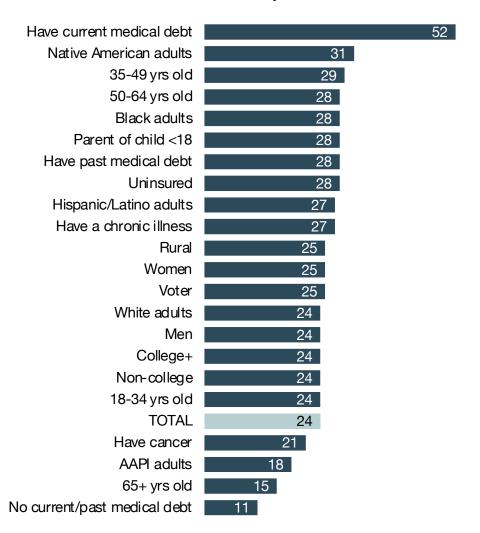




Those with current medical debt are much more likely than others to delay paying a bill they cannot afford.

Q: When you receive a medical bill that you cannot pay, do you delay paying the bill?

% yes



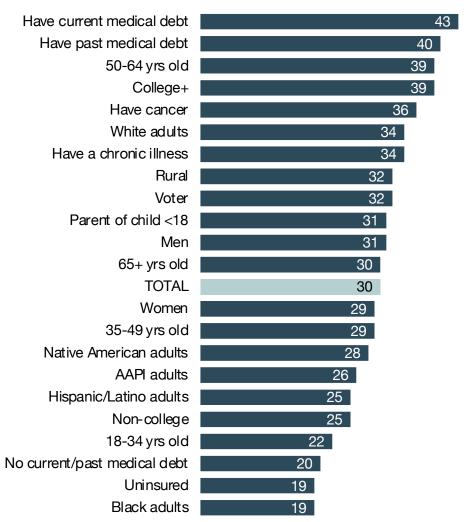
Only 3 in 10

say they have fought or appealed a health care bill in the past.

But the overwhelming majority – 70% of survey respondents – have not fought a medical bill. Those with current or past medical debt are among those most likely to have fought a bill. Respondents of color and uninsured adults are least likely to report they have fought a medical bill.

Q: Have you ever appealed or fought a health care bill you received?





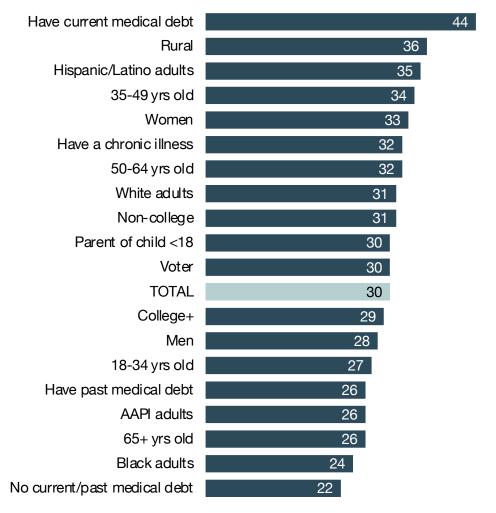
70%

who fought a bill say they were successful in lowering it or having the bill dismissed.

But 3 in 10 were not successful. Those with current medical debt stand out in saying they were NOT successful in having a bill lowered or dismissed. Of note, rural and Hispanic / Latino adults also report higher levels of failure in having medical bills lowered / dismissed.

Q: IF FOUGHT A BILL: Were you successful in having the bill lowered or even dismissed? (N = 784)

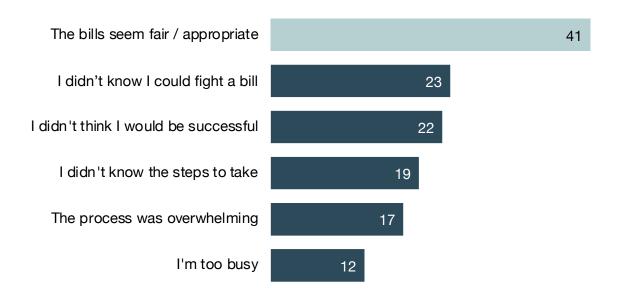
% no, I was NOT successful



^{*} The n sizes were too small to include Native American adults, those with cancer, and uninsured respondents in this graph.

A number of survey respondents say they didn't know they could fight a bill or didn't think they would be successful if they tried.

Q: IF DIDN'T FIGHT A BILL: What is the reason you have not appealed or fought a health care bill? Select any that apply. (N = 1,879)

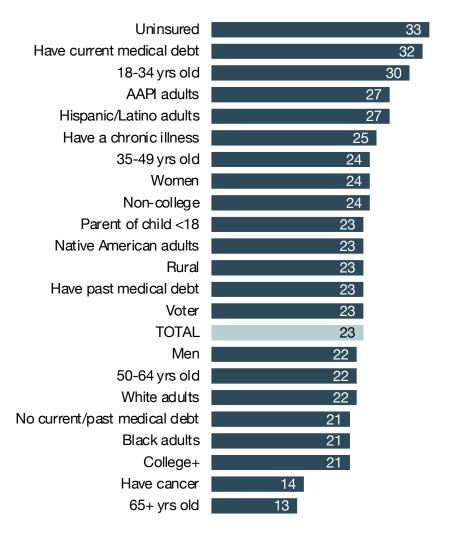


Uninsured adults, those with current medical debt, and young adults are among those most likely to say they did not know they could fight a health care bill.

AAPI and Hispanic / Latino adults are also more likely than others to say they did not know they could fight medical bills.

Q: IF DIDN'T FIGHT A BILL: What is the reason you have not appealed or fought a health care bill? Select any that apply. (N = 1,879)

% I didn't know I could fight a bill



Medical debt.

Medical debt is the only kind of debt we tested where a majority of respondents blame institutions rather than the individual.

Q: As you know, there are lots of different types of debt. For each type of debt, who do you think is most to blame for having that debt?

	1 Individuals	2	3	4	5 Companies / Institutions
Medical debt	10	7	24	24	36
Student loan debt	32	10	20	14	23
Home mortgage debt	34	16	25	12	13
Car debt	43	17	20	9	11
Credit card debt	49	17	16	7	11

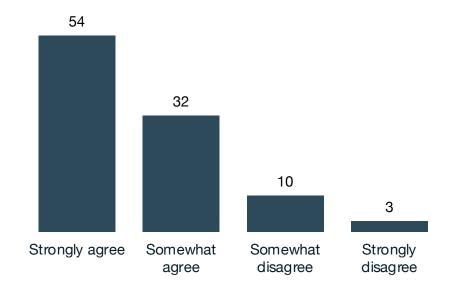
60%

86%

agree that patients are not really to blame for medical debt – it is the health industry prioritizing profits.

There is agreement across political ideology that the health industry rather than individuals are to blame for medical debt (Dem 90% agree; Ind 86% agree; Rep 81% agree).

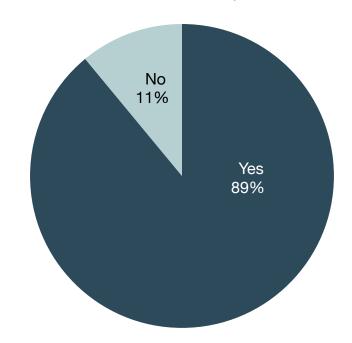
Q: Agree or disagree: Usually, people with medical debt are not to blame for it. The problem is really the health industry prioritizes profits.



9 in 10

believe lots of people have medical debt right now.

Q: Do you think lots of people in America have medical debt currently?



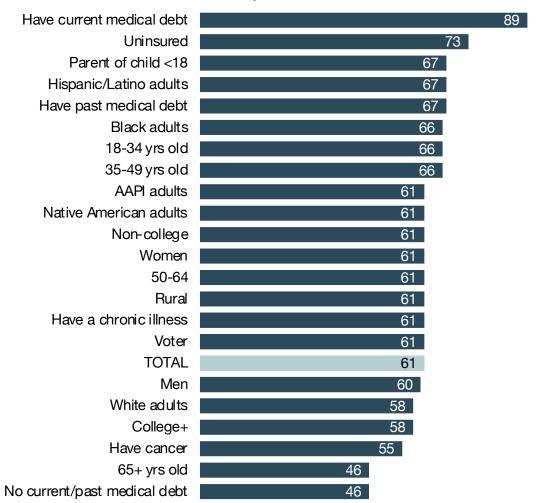
Q: How concerned are you, if at all, about going into medical debt when you use the health care system or get medical services?

% very or somewhat concerned



say they are concerned about going into medical debt when they use the health system.

Those with current medical debt and uninsured adults are most likely to be concerned about incurring debt when using health care services.



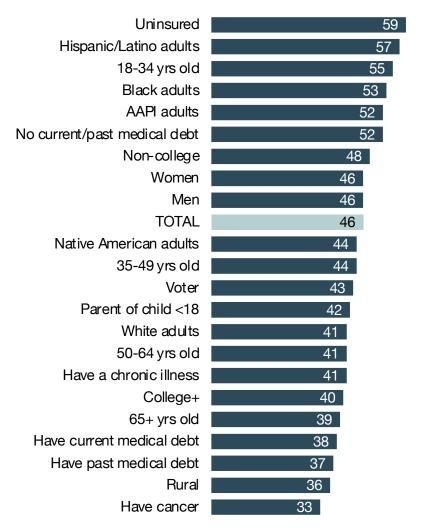
46%

are unaware of financial assistance programs that providers offer to help with debt.

Uninsured, adults of color, and younger respondents are most likely to say they did not know about provider financial assistance programs.

Q: Did you know that most hospitals and many other health providers have financial assistance programs that can assist those who qualify with paying their medical bills?

% didn't know or unsure



Only a quarter of survey respondents have either asked for financial assistance or been offered financial assistance by a provider.

Q: Have you ever asked for financial assistance from a hospital, doctor, or other health care provider to get a discount on your medical bills?

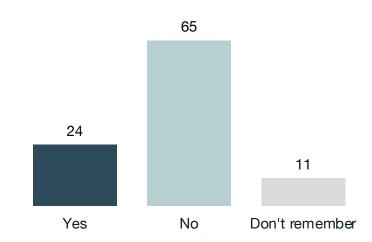
25

No

Don't remember

Yes

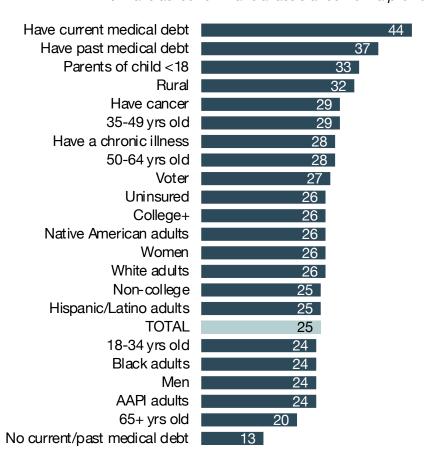
Q: Have you ever been offered financial assistance from a hospital, doctor, or other health care provider to get a discount on your medical bills?

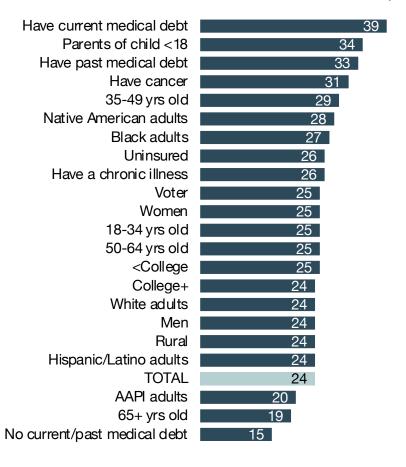


Those with current or past medical debt are most likely to have asked for and been offered financial assistance.

% have asked for financial assistance from a provider

% been offered financial assistance from a provider





Survey respondents see big consequences if health care costs and medical debt continue to rise.

Q: Do you think if health care costs continue to rise, and medical debt continues to increase, any of the following could happen?

	Yes %
People will get sicker because they put off health care	79
More people will be unable to save for retirement	78
Depression and anxiety will become even more widespread as people fall into medical debt	75
More people will die because they are not catching diseases like cancer earlier because they are avoiding health care	72
More people will be unable to buy homes, cars, or improve their financial situation because they will have poor credit due to medical debt	71
Everyone's health care costs will go even higher because so many people will only get health care when they are really sick, using the most expensive kinds of services and medications	70
Health insurance companies, drug companies, hospitals, and other health providers will have record profits each year	68
The workforce will become less productive because people are not as healthy	61
The economy will decline because people are sicker and don't have money to spend	60

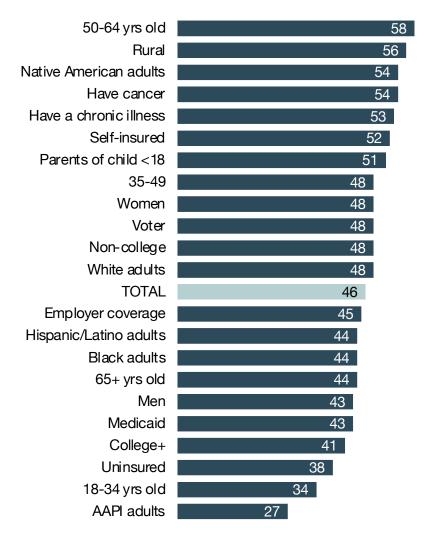
Personal experiences.

of survey respondents say they have current or past medical debt.

Pre-retirement, pre-Medicare adults ages 50-64, rural adults, Native American adults, and those with cancer or a chronic illness are most likely to say they have current or past medical debt.

Q: Do you personally have medical debt? If not, have you had medical debt in the past?

% current or past medical debt



of those with medical debt have experienced negative impacts as a result of that debt.

More than 4 in 10 delayed care and one-quarter say their mental health has been negatively impacted.

Q: Have any of the following happened to you because of your current or past medical debt? Select all that apply.

(N = 1,179)

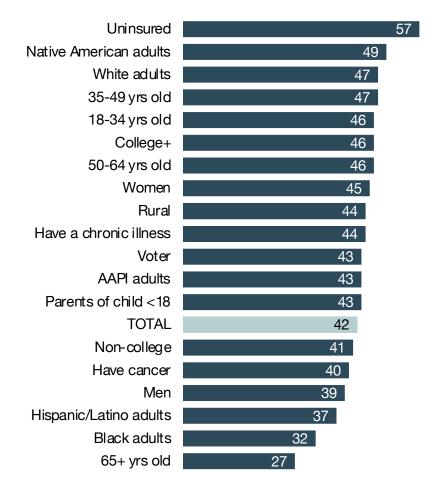
% yes

You delayed or skipped medical care because you did not want to go further into debt (either medical or other debt)	42
Your mental health was negatively impacted	26
Your health provider encouraged you to sign up for a payment plan, medical credit card, or pay installments	23
You avoided going back to the same provider / office / clinic / hospital where you owed money because you were afraid they would not treat you	21
You were required to sign up for a payment plan, medical credit card, or pay in installments before you could be treated	17
You were required to pay your debt in full before you could be treated	16
You became ill because you did not seek medical care due to your debt (either medical or other debt)	16
A provider / office / clinic / hospital where you owe(d) money refused to keep treating you	8
Your provider encouraged you to sign up for Medicaid / disability	8
A provider / office / clinic / hospital where you owe(d) money refused to start treating you	7
At least one of the above has happened	74

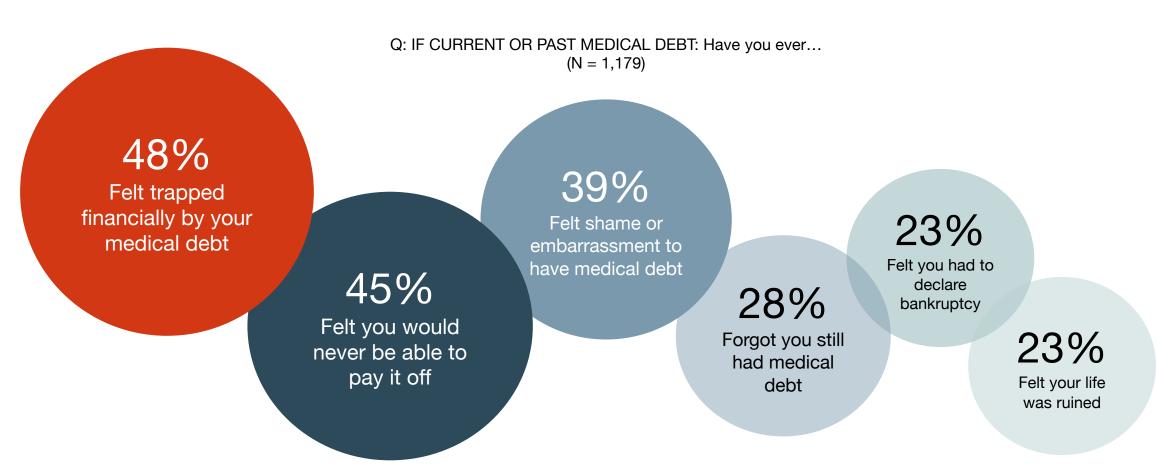
Uninsured, Native
American, White adults,
along with younger adults,
are more likely to delay care
due to their medical debt.

Q: Have any of the following happened to you because of your current or past medical debt? Select all that apply. (N = 1,179)

% you delayed or skipped medical care



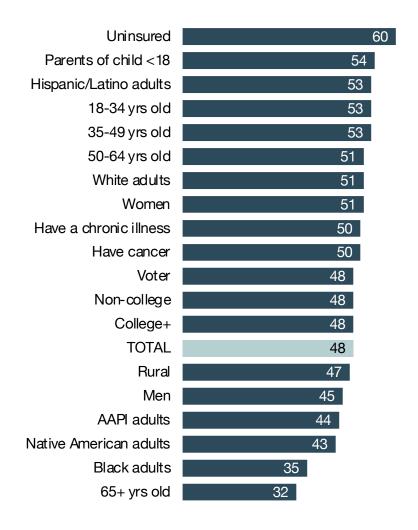
Nearly half say they feel "trapped" by their medical debt and almost as many said they thought they "would never be able to pay off" their debt.



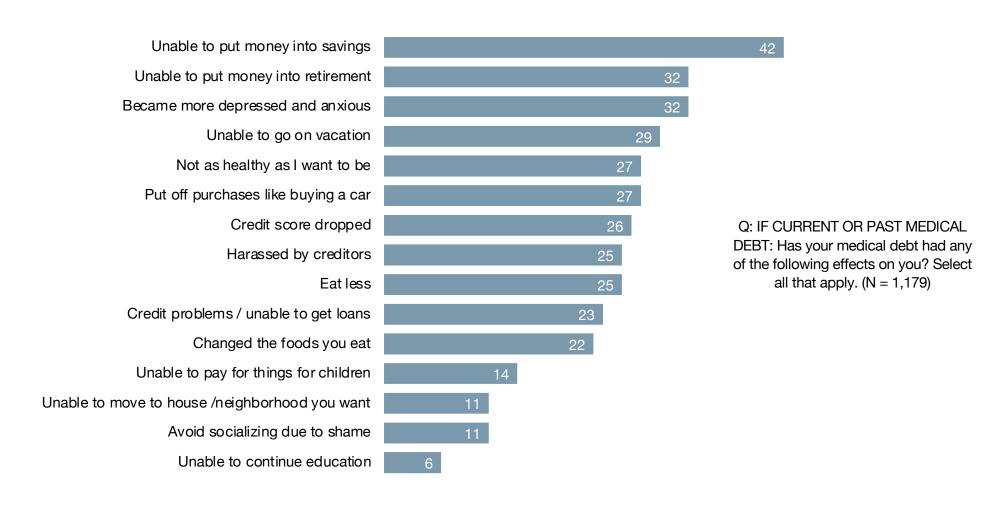
Uninsured, parents of children under 18, Hispanic / Latino adults, and younger adults are most likely to feel "trapped" by their medical debt.

Q: IF CURRENT OR PAST MEDICAL DEBT: Have you ever felt trapped financially by your medical debt? (N = 1,179)

% yes



Medical debt has many negative effects on them – from being unable to put money away for the future to increased depression and anxiety.

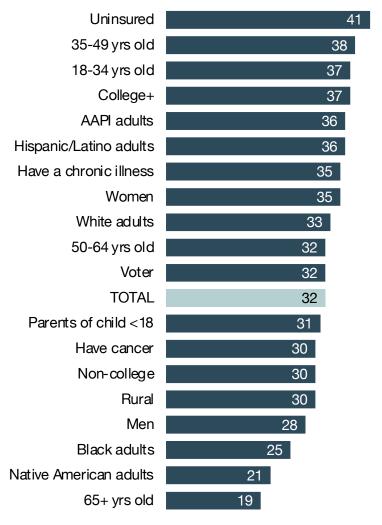


Uninsured, younger, AAPI, and Hispanic / Latino adults are most likely to say they became more depressed due to their medical debt.

Women more than men also say they became more depressed.

Q: IF CURRENT OR PAST MEDICAL DEBT: Has your medical debt had any of the following effects on you? (N = 1,179)

% you became more depressed or anxious

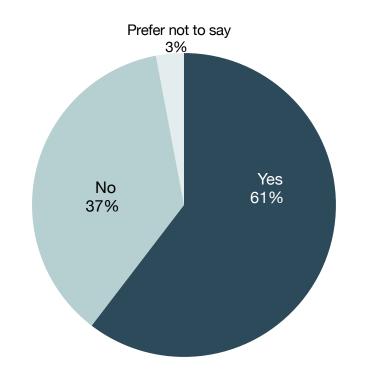


Payment plans.

6 in 10

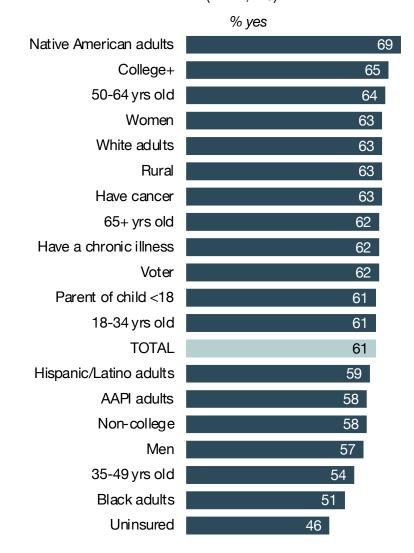
of those with current or past medical debt had a payment plan / installments to pay their debt.

Q: Have you ever had a payment plan, a medical credit card, or had to pay in installments for medical debt? (N = 1,179)



Uninsured and Black adults with current or past medical debt are least likely to have had a payment plan to pay off their medical debt.

Q: Have you ever had a payment plan, a medical credit card, or had to pay in installments for medical debt? (N = 1,179)

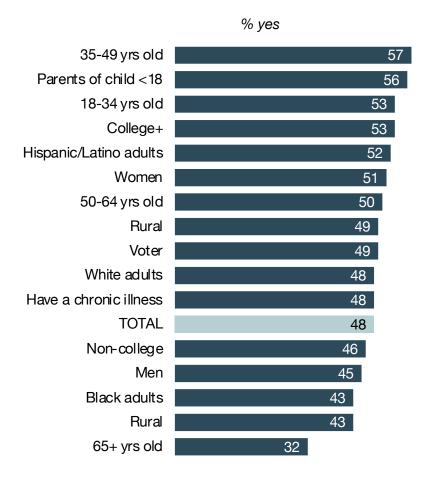


of those with payment plans say they felt pressured into agreeing to the plan.

Younger adults and parents with children under age 18 are most likely to say they felt pressure.

Q: Did you feel pressured into getting the payment plan, a medical credit card, or paying in installments by the health provider, bank, or collection agency?

(N = 699)

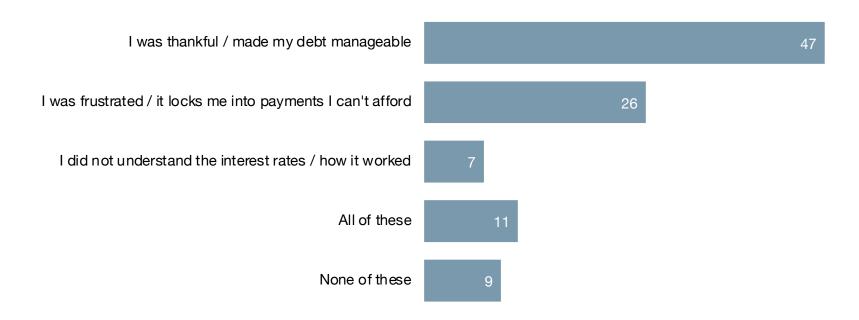


Note: The samples for AAPI and Native American adults, uninsured adults, and individuals with cancer were too small to include here.

They have mixed feelings about payment plans.

Q: IF HAVE A PAYMENT PLAN:: Which statement comes closest to your feelings about the payment plan / medical credit card / paying in installments you have or had for your medical debt?

(N = 699)



Systemic racism.

After reading information about the issue, nearly half of respondents believe systemic racism puts people of color more at risk of medical debt.

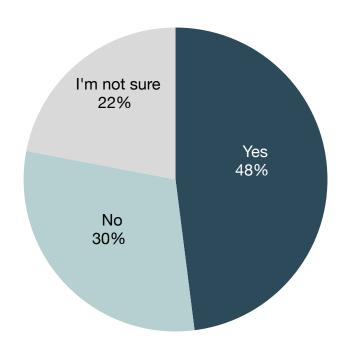
RESPONDENTS READ...

Data shows that medical debt has a bigger impact on certain populations in America. For example, studies show that communities of color have higher rates of medical debt than white communities. Below is a statement about this:

"Structural barriers and systemic racism in housing, credit, and employment opportunities increase financial risk among communities of color, making it more difficult for households of color to manage medical bills and pay debts on time. Higher rates of uninsured among communities of color also increase the risk of medical debt. And some studies have found collections agency seeking to collect payments for medical debt tend to use more aggressive tactics with communities of color."

THEN THEY WERE ASKED...

Q: Do you believe systemic racism puts communities of color more at risk of medical debt than other communities?

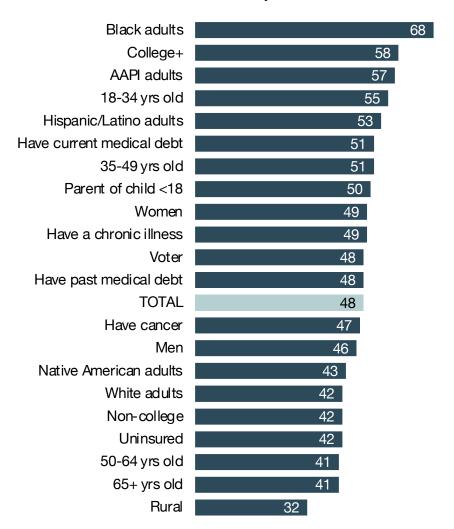


Black, Hispanic / Latino, and AAPI adults – along with college-educated and young adults – are most likely to say systemic racism puts people of color more at risk of medical debt.

Rural residents and older respondents are less likely to agree with this.

Q: Do you believe systemic racism puts communities of color more at risk of medical debt than other communities?

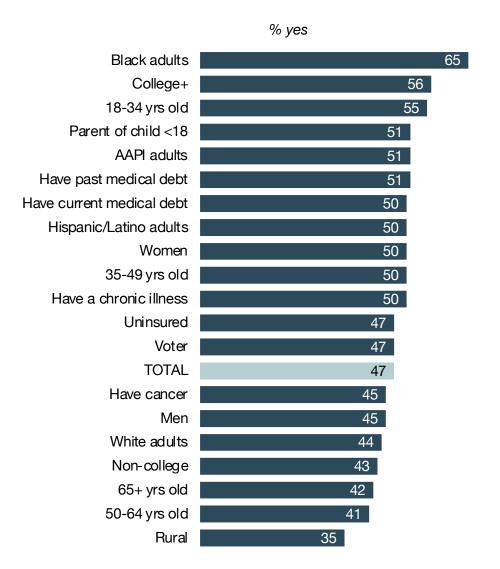
% yes



believe policies seeking to protect patients from medical debt should also try to reduce systemic racism.

But 29% disagree with this and another 23% say they are unsure. Black adults, those who are college-educated, and younger adults are the most likely to believe medical debt policies should also address systemic racism.

Q: Do you think policies that protect patients from medical debt should also seek to address systemic racism that puts communities of color more at risk of this debt?



Cancer.

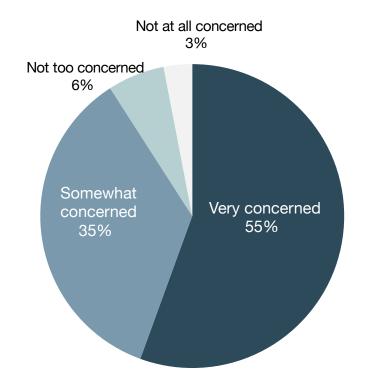
9 in 10 survey respondents say they are concerned when they learn people with chronic conditions like cancer struggle more with medical debt.

RESPONDENTS READ...

Data also shows that people in poorer health – for example, those with a chronic condition or serious health illness – are also more likely to struggle with medical debt. For example, a large portion of debt in this country is related to cancer treatments and studies show that over half of cancer patients and survivors have medical debt related to their care.

THEN THEY WERE ASKED...

Q: How concerned are you, if at all, that people with chronic conditions or serious health illnesses like cancer are at much higher risk of having medical debt?

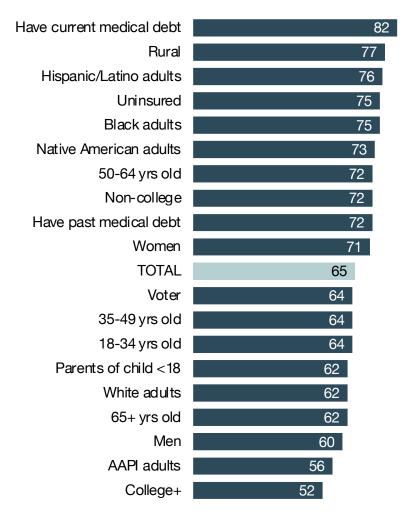


feel they could probably NOT afford the out-of-pocket costs of treating cancer without going into debt.

This is relevant to many survey respondents – 34% think it is at least somewhat likely that they will be diagnosed with cancer in the next 5 years.

Q: Studies show that insured cancer patients pay somewhere in the range of \$4,000-\$13,000 out-of-pocket in the year they are diagnosed. Hypothetically, if you were diagnosed with cancer tomorrow, could you afford these costs without going into debt?

% probably not / definitely not



Survey respondents have strong feelings about cancer care and medical debt.

Q: Here are some statements about cancer and medical debt. Please indicate if you agree or disagree with these statements.

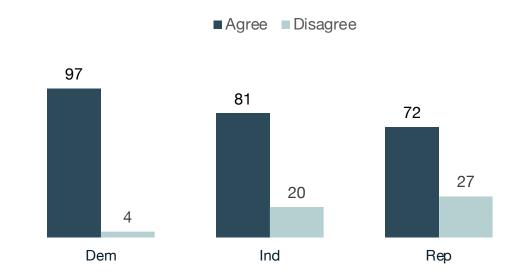
	Strongly agree	Somewhat agree	TOTAL
Cancer treatments and medications are so expensive that even with good health insurance, many cancer patients still have large copays, coinsurance, and costs they have to pay out of pocket that put them into debt.	63%	29%	92%
Elected officials should pass policies that protect people with serious illnesses like cancer from medical debt and harassment from collection agencies.	65%	26%	91%
Cancer patients should not have to go deep into medical debt just to save their lives.	69%	21%	90%
Insurance companies know it is illegal to drop people with cancer or deny them health coverage. So now they simply refuse to cover the costs of many cancer treatments and medications so that people with cancer can't afford them.	46%	33%	79%

Policies.

of survey respondents agree that "it is the responsibility of the government to ensure that health care is affordable to all people in the US."

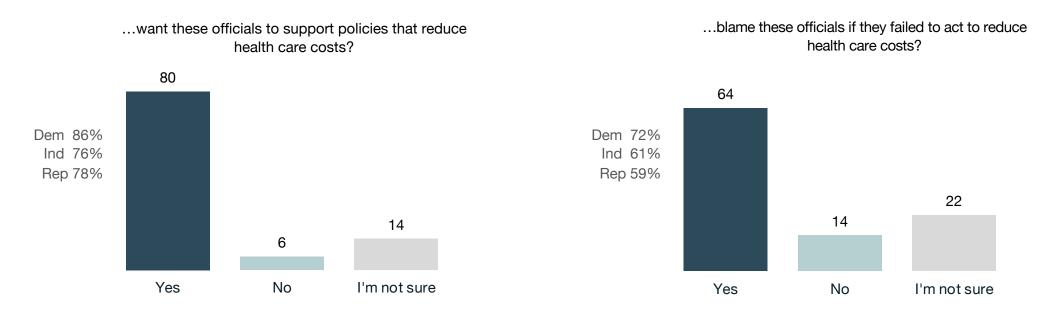
There is bipartisan agreement on this issue.

Q: Do you agree or disagree with the following statement: It is the responsibility of the government to ensure that health care is affordable for all people in the U.S.?



Majorities (across political party ID) want their federal and state officials to act to reduce health care costs and are likely to blame them if they fail to act.

Q: Think about the elected officials who represent you on the state and federal level. Would you...



There is strong bipartisan support for policies that protect patients from medical debt.

Q: Here are some statements about cancer and medical debt. Please indicate if you agree or disagree with these			
statements.	TOT	TOTAL SUPPORT	
	Dem %	Ind %	Rep %
Give patients more time to pay back bills and at a lower interest rate	92	95	92
Have advocates or navigators, including those who speak different languages, available to help patients complete financial assistance forms and access other resources to help lower their medical debt	93	89	87
Cap the interest rate allowed to be charged for medical debt	89	91	91
Make hospitals screen a patient, both the insured and uninsured, for its financial aid program before attempting to collect on a bill (i.e., ensure those who are eligible for financial support can get it)	93	87	87
Make more health care providers offer financial aid programs	91	88	85
Ban aggressive collection practices such as suing people, taking their assets (i.e., homes, cars, etc.) or garnishing people's wages	90	87	85
Place limits on extreme debt collecting efforts like liens on patients' homes	88	88	87
Require all hospitals and their providers to offer charity care (i.e., free or discounted health services for people who meet a			
criteria for assistance)	93	85	82
Delay reporting of unpaid medical debts to credit bureaus until one year after a patient is billed	89	86	83
Cap the amount a patient would have to pay in a year (for example, a limit of \$2,300) towards their medical debt	88	83	80
Establish a uniform criteria for who can access hospital financial assistance (i.e., patients with SNAP / food stamps, people who are experiencing homelessness, and people with Affordable Care Act (ACA) / state marketplace plans)	91	80	76
Make home foreclosures due to medical debt illegal	83	83	80

PERRY UNDEM